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Fast Track Recommendations - Sam M. Gibbons 12/09/97 [December 9, 1997]

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EXECUTIVE OFFICE OF THE PRESIDENT
THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

December 17, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: Erskine Bowles

FROM: Ambassador Barshefsky

SUBJECT: Labor and Environment Provisions in the Fast Track Bills

You have asked: 1) for an overview of the labor and environmental provisions included in the House and Senate fast track bills; and 2) whether those bills would allow the Administration to negotiate the inclusion in future fast track trade agreements of provisions that would prevent foreign governments from lowering their labor and environmental standards in order to attract investment.

The two fast track bills pending before Congress when it recessed, H.R. 2621 and S.1269, contain important labor and environmental provisions. First, both bills make foreign government labor (including child labor), environmental, health, and safety practices "principal negotiating objectives" for the United States -- along with more traditional trade objectives such as lowering tariffs, increasing farm exports, and protecting U.S. intellectual property rights. In particular, the House bill calls on the Administration to negotiate provisions in fast track trade agreements which would ensure that foreign governments do not "derogate from or waive" (the language in the Senate bill is "lower[] or derogat[e] from") their labor or environmental standards in order to gain a competitive advantage.

Second, the two bills direct the Administration to ensure that our future trade agreements complement and reinforce U.S. international policy priorities for labor and the environment. Third, the bills urge continued Administration efforts to promote broader U.S. international labor and environmental agendas through agreements that are not subject to fast track. Finally, the bills require U.S. negotiators to take into account our domestic labor and environmental concerns as we pursue trade liberalization abroad.

The language included in the two bills regarding foreign governments that waive or derogate from their labor and environmental standards is especially important. It would allow the Administration to negotiate language directly in our fast-track trade agreements that would prevent foreign governments from refusing to enforce their existing labor and environmental laws, or from lowering their standards, in order to gain an unfair competitive advantage in trade or investment. The language is not designed to prevent governments from raising or lowering their standards in order to meet legitimate labor, environmental, or economic objectives. Rather, it would give us the ability to respond to situations in which governments manipulate their labor and environmental rules in order to artificially stimulate imports, exports, or local investment.

GIBBONS & COMPANY

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THE WILLARD OFFICE BUILDING

SUITE 525

WASHINGTON, D.C. 20004

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December 10, 1997

Mr. Erskine B. Bowels
Chief of Staff to the President
The White House
First Floor, West Wing
1600 Pennsylvania Avenue, NW
Washington, DC 20500

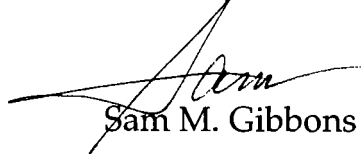
Dear Erskine :

Reflecting on our conversation of last evening, attached is my suggestion. Please let me know what you think.

I can be reached in Tampa at (813) 251-4691.

Best wishes for a wonderful holiday season!

Sincerely,



Sam M. Gibbons

Enclosure

MEMORANDUM

To: William J. Clinton
President of the United States

From: Sam M. Gibbons

Date: December 9, 1997

Subject: **Congressional Approval of Fast Track Negotiating Authority**

TIMING

- Fast Track should be your number 1 legislative priority for 1998.
- Challenge Congress during the State of the Union speech to pass a bill. Tell the American people on national television why it is so important and ask for their support.
- A Congressional vote must be held by mid-March before the Hemispheric Summit in Chile in April.

LEGISLATION

- Use the language of the House Ways and Means bill or the Senate Finance Committee bill; do not make any changes.

CONGRESSIONAL STRATEGY

- Get a Senate vote quickly on the Senate Finance Committee bill.
- Meet with Senator Lott first and then separately with Speaker Gingrich. A date should be established for early March action.

William J. Clinton
Fast Track Authority
December 9, 1997

- SMG will meet with key Senate and House players to firm up the vote count, identify undecided/leaning to yes votes and develop targeted lobbying strategy.
- The White House and the private sector should ratchet up the pressure. This action should start early and build momentum.
- SMG will continuously touch base with the Senate and House Republican and Democratic leadership.
- Hit hard in the State of the Union address and never let up. "America cannot afford to abandon its leadership responsibilities."

ROLE AND NEEDS OF SMG

- Title: Special Counsel to the President.
- Term: January 1 - April 15, 1998.
- Access to the President on an as needed basis.
- Close identification with the White House.
- Office with White House telephone.
- Staff: A senior level professional staff to accompany to meetings with Members and a competent and knowledgeable secretary to accept and field calls, keep records on vote counts and to write confirmation notes.
- Designated "action person" to get appropriate White House follow-up reports to "put out the fires" and answer criticisms.
- Car and driver, mobile telephone and beeper.
- Cards and Stationery.
- Compensation.

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July 9, 1997

President William Jefferson Clinton
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. President:

I want you to know of my strong interest in serving you as your Administration "point person" to coordinate the intense lobbying campaign for Congressional approval of "fast track" trade negotiating authority. I have the experience, knowledge, vision, and ability to successfully do the job for you.

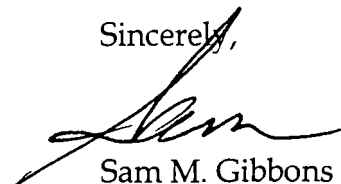
Over the past two decades, I led the charge for every major trade bill in the Congress. I have been the primary advocate, vote counter and House floor manager for numerous "fast track" bills. I have the integrity, track record and close bipartisan working relationships with the Congress, the international trade policy people in your Cabinet and within the business community. I am confident that with a well-planned and aggressively implemented strategy we can win "fast track" renewal. I have always won final passage of this legislation. I can get the job done.

Moreover, I have absolutely no conflicts of interest. If necessary, I can sever my relations with Gibbons & Company. Our firm represents no foreign clients and none of the firm's current clients have any direct or indirect interest in the renewal of "fast track" authority.

I would greatly appreciate it if you would consider me to serve as your "fast track" coordinator in the White House. I look forward to talking with you. I could begin work immediately.

Thank you!

Sincerely,

A handwritten signature in black ink, appearing to read "Sam", with a long, sweeping horizontal stroke extending to the left.

Sam M. Gibbons

GIBBONS & COMPANY

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November 11, 1997

President William Jefferson Clinton
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

Like you, I am very disappointed on the postponement of the House vote on fast-track trade negotiating authority. Fast-track authority is absolutely essential for the United States to maintain our position as the global leader in fair and open trade.

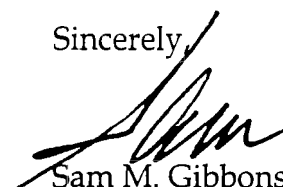
It is very important that you continue to take the lead and build additional momentum for an early vote in the House next year. You must have fast-track authority before you go to Santiago, Chile in April for the Summit of the Americas.

When we first developed the fast-track process in Congress, it was merely a procedural mechanism to limit Senate amendments to trade bills. Whenever I moved a major trade bill to the House floor for a vote, I always had a closed rule allowing no amendments. Today, perceptions for the necessity of fast-track by our trading partners are far greater and they will not even come to the negotiating table on the FTAA or discuss any trade agreement that allows the United States greater access to their markets without guarantee of fast-track authority.

I want to help you win fast-track. As Chairman of both the House Ways & Means Committee and the Trade Subcommittee, I was the floor manager and chief whip vote-counter for fast-track negotiating authority on many previous occasions. On legislation such as this, I never lost a vote for approval in Committee or on the House floor over the course of twenty years. I will win this one for you.

I can start work immediately and work full-time until you sign fast-track into law. Thank you!

Sincerely,

A handwritten signature in black ink, appearing to read 'Sam M. Gibbons', written over a horizontal line.

Sam M. Gibbons

SAM M. GIBBONS

Mr. Gibbons served as a Member of the United States Congress in the House of Representatives for 34 years (1962-1996). He was Chairman of the Ways and Means Committee and its Subcommittee on Trade, Vice-Chairman of the Joint Committee on Taxation, and U.S. Advisor to the General Agreement on Tariffs and Trade and the World Trade Organization.

Mr. Gibbons worked closely on a bipartisan basis with eight U.S. Presidents in the development, passage, and implementation of major domestic and international policy initiatives. He has extensive legislative expertise in the areas of international trade, taxation, healthcare, public and private pensions, budget, and education.

As a leading architect of American trade policy for more than 25 years, he is widely recognized as one of the foremost proponents of open markets and free trade. Mr. Gibbons was a primary advocate and sponsor of every major trade law enacted during this period, including The Trade Acts of 1984 and 1988, legislation implementing the Tokyo and the Uruguay Rounds of the General Agreement of Tariffs and Trade, the Caribbean Basin Initiative, the U.S./Israel Free Trade Agreement, the U.S./Canada Free Trade Agreement, the Andean Trade Preference Act, and the North American Free Trade Agreement.

While Chairman of the Ways and Means Subcommittee on Trade, Mr. Gibbons frequently led trade and interparliamentary delegations throughout Europe, Latin America, the Middle East, and Asia, including the former Soviet Union, Japan, China, Australia, and Vietnam. He conferred regularly with heads of Governments, their principal trade and economic officials, and business leaders both in the United States and abroad.

Mr. Gibbons served as Chairman of the Trade and Economic Committee of the U.S./Canada Interparliamentary Group, the U.S./Mexico Interparliamentary Group, and Co-Chairman of the U.S. delegation to the U.S./European Parliament Interparliamentary Group. He counseled numerous U.S. Trade Representatives on international trade negotiations and legislation.